



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

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SUPERINTENDENT OF  
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December 20, 2011

**MEMORANDUM**

TO: State Board of Education

FROM: Lisa M. Hansknecht, Director, Office of State and Federal Relations

SUBJECT: State and Federal Legislative Update

**STATE UPDATE**

The Legislative session for 2011 has concluded until the Constitutional start date of January 11th. The Senate has announced it intends to begin quite quickly in the winter session.

Parent Empowerment Education Reform Package – SECOND UPDATE

During the last week of session, the House passed an amended version of the H-4 substitute for Senate Bill 618 which phases out the cap on the number of university-sponsored charters, as well as a great many other changes, and the Senate concurred with the changes. The bill has been enrolled and is pending signature on the Governor's desk.

The following highlights the bill contents and the changes made on the House floor in the last days of session:

**HIGHLIGHTS:**

Senate Bill 618 (H-4) would amend the Revised School Code (MCL 380.501 et al.) to do the following with respect to public school academies (PSAs), urban high school academies, and schools of excellence (SOEs):

- This bill would remove the cap on the number of contracts and some of the geographic limitations for PSAs, urban high school academies, and SOEs.
- An amendment on the House floor lifts the charter cap for university-authorized charter schools to 300 through the end of

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2012 and 500 through 2014. It completely lifts the cap on university-authorized charter schools after Dec. 31, 2014.

- The House version (H-4) of the bill returns some geographic boundaries to what is in current law for community college authorizers.
- A new section was added in the House Education Committee that requires increased transparency for contracted services hired by PSAs, SOE and Urban High School Academies. The information would be placed on the webpage of the school within the Budget and Salary/Compensation Transparency reporting icon, also known as the "Blue Mitten".
- Allows two or more authorizing bodies to issue a contract for a PSA or an SOE under an inter-local agreement.
- Revises provisions concerning the responsibilities of an authorizing body and the revocation of a contract. This includes educational goals for PSAs, SOEs and Urban High School Academies to demonstrate improved academic achievement for all pupils.
- Allows contracts for the operation of the same configuration of age or grade levels at more than one site, if it is making measurable academic progress toward its educational goals.
- Allows property occupied by a public school academy to be exempt from real and personal property taxes levied for school operating purposes and from the state education tax.
- Deletes requirements for a PSA or SOE to comply with a school district's collective bargaining agreement.
- Requires a petition to be signed by at least 5 percent, rather than 15 percent, of the electors in a school district, in order to place the question of issuing a PSA or SOE contract on the ballot.
- The bill also would require public school academies, urban high school academies, and schools of excellence to comply with laws concerning participation in state assessments, data collection systems, state level student growth models, state accountability and accreditation systems, and other public comparative data collection required for public schools.
- Removes the sunset for and cap on schools of excellence.

## HOUSE FLOOR AMENDMENTS

The House of Representatives added a number of floor amendments to Senate Bill 618. They are as follows:

- Charter schools would be required to submit documentation to their authorizer that they are making "measurable progress toward meeting their educational goals," which includes meeting annual yearly progress (AYP).
- An amendment returned the requirement that the authorizing body of a cyber school submit a report to the state Superintendent of Public Instruction and to the Legislature at the end of the school's second full school year. This had been deleted in earlier versions of the bill.
- The board of a school district, ISD or PSA must post a notice of AYP and a notice of accreditation for each school online.
- An authorizing body of a proposed charter school also would have to first consider a list of things such as:
  - The graduation rate of the local school district.
  - The population of the county.
  - The number of low-achieving public schools nearby.
  - The number of students on waiting lists for nearby charter schools before opening the new charter.

The authorizer only would have to consider those factors, and not necessarily make a decision based on the findings.

- A bipartisan workgroup will make recommendations on measures to "improve educational quality in all public schools for all pupils." The recommendations are supposed to be submitted no later than March 31, 2012.
- Also, a school of excellence, urban high school academy, or public school academy can now have multiple locations of the same age or grade, if it is making measurable academic progress.
- A transparency measure also was added to the bill that affects not only charters, but all public school districts and intermediate school districts. They would have to post on their website the school's adequate yearly progress status and its accreditation status within 20 days of receiving notice of those reports.

Once the Legislature reconvenes in January, and as noted previously, the House Education Committee likely will begin addressing the other bills in this package related to cyber charter schools (SB 619), conversion schools (SB 620), shared time (SB 621), and dual enrollment opportunities (SBs 622, 623, 709 and 710) .

### Supplemental Appropriations for Creation of the Office of Great Start

The Legislature also completed its work and passed the supplemental appropriation bill (HB 5014) mentioned in previous reports. The bill includes a number of supplemental appropriations for various departments; specific to education, it addresses the creation of the Office of Great Start and movement of some offices and programs from the Department of Human Services to the Michigan Department of Education by Executive Order 2011-8. This bill is awaiting signature by the Governor.

### **FEDERAL UPDATE**

#### ESEA Reauthorization

The House and Senate are continuing discussions on the ESEA reauthorization and pressure on Congress is mounting from various national educational organizations to push through a reauthorization prior to the beginning of the next school year.

There are mark-up bills floating around. But it is still unclear when Congress will act and if the election year politics will place a hold on this as well as a great many other items.

I hope this information is helpful to you. If you have any questions or concerns regarding these or other legislative issues, please feel free to contact me at 517-335-5310.